

# MARKETING & MEDIA DECISIONS

NOVEMBER 1989 • \$4.00

## MEDIA'S NEW SEERS

All agencies agree that there is a real need for more and better strategic thinking about media. But how to do it? Enter "the media strategist."

Judy Black looks ahead and brings her insights to day-to-day thinking at Bözell.

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## NINTENDO'S GAME INVADERS

The leader is taking on new comers as it enters the Christmas crunch.



TV'S INVISIBLE VIEWERS • VODKA'S CROWD

# MARKETING & MEDIA DECISIONS

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The newest moniker in some media departments is "media strategist," a position created to bring the departments into their clients' futures. But is it for real or just posturing? That depends on which agency is doing the creating.

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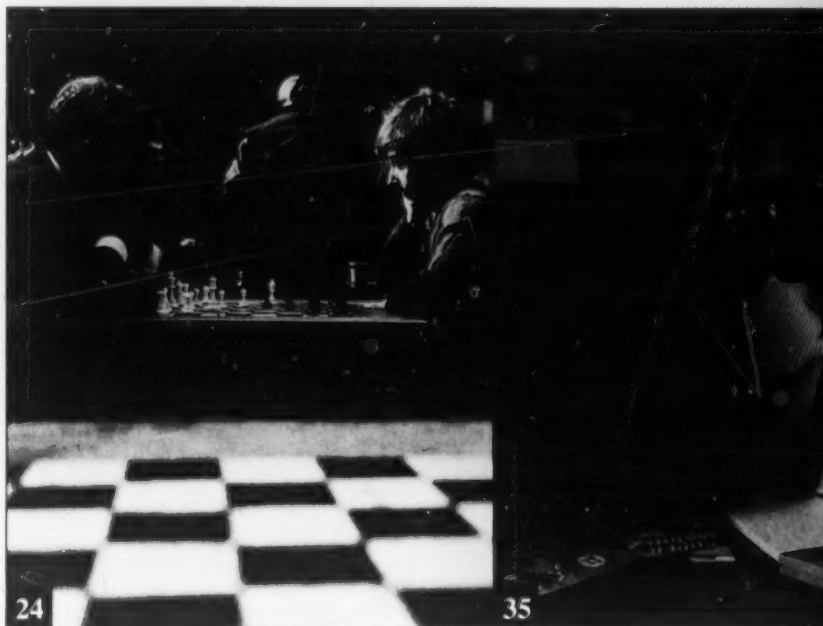
The broadcast networks, in hopes of adding more weight to their household ratings, are busily reminding advertisers of the large viewing that goes on out-of-home. It could be a Pandora's box, however: Are those college kids and pubcrawlers watching network fare or CNN and MTV?

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# TO GO

This month, Nielsen sets out to get a fix on out-of-home viewing. The agencies' response is, good luck.



by Richard Tedesco

**I**t's a typical day in America. College kids in the student lounge put aside Chaucer for *Days of Our Lives*. Aging baby boomers work out at the gym to the video beat of MTV. The homeward-bound stop off for a beer and the evening news at their neighborhood hang-out.

Television is everywhere, and so are its viewers. But one fact separates these casual watchers from their at-home neighbors: They are invisible when it comes to measuring the audiences of the shows they watch.

After dramatic declines in tv ratings for broadcast over the past few years, some network execs are more deter-

mined than ever to bring these elusive viewers into focus and into the ratings tallies. Cable, too, sees gains to be made. But questions of methodology, cost and quality have those on the buyers' side as skeptical as ever.

Television executives argue that the current tv ratings methodology is omitting a sizable segment of the tv viewing population, and most buyers are willing to grant them that point. Nielsen's efforts to date focus solely on in-home viewing, and that's what agencies pay for. "There is certainly out-of-home

viewing, and I can certainly sympathize with the networks' desire to have it included in the audience," says Helen Johnston, vice president

and director of media analysis for Grey Advertising. "But there is no way to measure it," she says.

Network executives disagree, and they're out to prove it. Several recent studies have sought to establish the validity of measuring the size and habits of the out-of-home audience.

So far in 1989, ABC has released results of two different surveys indicating large, unmeasured audiences for daytime and early-morning viewing and *Monday Night Football*. Among its findings were the following numbers:



**While Esty's Winner acknowledges out-of-home viewing, he questions its scale and quality.**

## AUDIENCE IMPACT: SPORTS

(Monday Night Football, Oct. 24, 1988)

|                             | Adults<br>Average Minute | %<br>Added |
|-----------------------------|--------------------------|------------|
| Measured                    | 26,700,000               | —          |
| * Unmeasured                |                          |            |
| Bars (56%)                  | 1,547,606                | +5.8       |
| Hotels (14%)                | 386,624                  | +1.4       |
| College campuses (30%)      | 815,979                  | +3.1       |
| Total unmeasured            | 2,750,209                | +10.3      |
| Total measured & unmeasured | 29,430,000               |            |

Source: \*R.H. Bruskin; A.C. Nielsen

• Monday Night Football viewing may be as high as 10% outside the home.

• Early-morning network programs may draw an additional 7% among hotel viewers.

• Eight percent of all women viewing soap operas watch them while at work. (See charts for breakdowns.)

ABC's objective was to stimulate further research in this area, according to Richard Montesano, vice president of market research for the network. "The next step was to get Nielsen to do a large, valid survey," he says.

That is exactly what is underway now, as Nielsen Media Research sets out to conduct a nationwide survey this month. It expects 3,500 viewers to fill out personal (as opposed to household) diaries recording all of the viewing they do during the month in a study being co-sponsored by ABC, ESPN and NBC. Jonathan Dimling, executive vice president of Nielsen Media Services, says there's a "strong possibility" of continuing the study during next year's sweeps, as long as there's continued interest and support.

"It's a combination of reinventing the wheel and finding new ways of marketing your audiences," says Bob Niles, vice president of NBC research, in explaining the initiatives to establish

some form of regular out-of-home audience measurement. "There are a number of areas that are worth examining," Niles observes. "The question is whether there is an affordable way to measure this audience."

The current research conducted by Nielsen is costing the co-sponsors a reported \$100,000 each. That is presumably well worth the price to NBC, which produced some striking results in its own college-viewing study earlier this year. Commissioning a study that included 1,000 phone interviews with college students in 50 schools, NBC found:

• Nearly 50% of all college students (age 18-24) watch parts of NBC's late-night schedule, including *Letterman*, *Tonight* and *Costas*.

• Forty percent of college women watch NBC daytime serials.

One question among ad agency executives is whether the costs justify the means in trying to get a handle on what the out-of-home audience constitutes. "I'm not sure that the efforts needed to measure that audience justify the additional revenues the networks would gather," says Jayne Zenaty Spittler, vice president and director of media research for Leo Burnett.

Spittler acknowledges that to advertisers such as Miller Brewing or McDonald's, measurement of an audience segment like college viewers is potentially important. But she is pessimistic that a practical system of measurement can be implemented. And she expresses consensus among ad research executives who want the out-of-home audience measurement to remain segregated from in-home ratings.

The prime reason for that relates to questions about the quality of viewing done out-of-home. "I don't think there's any doubt there are viewers out there. But what is the value of those viewers compared to in-home viewers?" asks Steve Sternberg, vice president and manager of broadcast research for Bozell.

Aside from questions about just how significant the impact of out-of-home viewing would be on ratings, there is no way of quantifying the type of viewing being done.

"The out-of-home audience is sizable for particular programs," admits Tom Winner, executive vice president

## AUDIENCE IMPACT: DAYTIME

(Network Daytime/Average Minute)

|                                  | Women 18+  | %<br>Added |
|----------------------------------|------------|------------|
| Measured                         | 10,670,000 | —          |
| * Unmeasured working women (54%) | 293,804    | +2.7       |
| Female college (46%)             | 253,603    | +2.4       |
| Total unmeasured                 | 547,407    | +5.1       |
| Total measured & unmeasured      | 11,217,407 |            |

Source: \*R.H. Bruskin; A.C. Nielsen

## AUDIENCE IMPACT: NEWS IN HOTELS

(October 24-25, 1988;  
Adults 18+ Hotel Viewing;  
Three-Network Average)

|                                   | Measured  | *Unmeasured<br>(Hotels) | %<br>Added |
|-----------------------------------|-----------|-------------------------|------------|
| Early-morning<br>Network News     | 1,620,000 | 56,000                  | +3.5       |
| Early-morning<br>Network Programs | 3,445,000 | 239,000                 | +6.9       |

Source: \*R.H. Bruskin; A.C. Nielsen

and media director for Campbell Mithun Esty, New York. Significant out-of-home audiences are assumed for sports events, for example, particularly *Monday Night Football*, according to Winner, who says that viewing is counted as a bonus by the agencies. "But the question is whether they're really watching."

Agencies also figure there is more late-night and early-morning viewing than in-home ratings indicate. Bart McHugh, senior vice president for DDB Needham, says there have been conversations over the years with the networks about factoring in additional audience for the morning network shows. But McHugh, in backing the research, insists on the need to quantify those projected audiences. "I'm dealing with other people's money," says McHugh, "I've got to justify it."

In some cases the out-of-home audience is being factored into the price of tv spots by agencies, according to Richard Kostyra, executive vice president and U.S. director of media services for J. Walter Thompson. "If they suddenly show there are 10% more sports viewers, it doesn't change anything, because we've been paying for it," he reasons.

Despite the pessimistic view Kostyra expressed in a recent report he prepared for JWT on the practical prospects for out-of-home audience measurement, his agency shares in the general curiosity the advertising community has about that audience. "We're in favor of researching the audience and understanding as much as we can about it," reports Kostyra.

For broadcasters, the push for out-of-home measurement may take an ironic twist: While the broadcast numbers may grow, cable's may grow even more. MTV Networks commissioned its own college viewing study last year, which indicated that measurement of that audience would increase its viewership by 138%. The approach taken in the study, involving phone interviews with 3,000 college students, is an example of the innovation needed to create parameters of out-of-home audience research, according to Marshall Cohen, senior vice president of corporate affairs and communications.

"It needs to be quantified," says Cohen. "The way it's quantified,

whether it's a diary or a phone survey, the methodology over time will shake out. I think you have to approach the problem from different directions."

MTV was invited to participate in Nielsen's November survey, but declined because of what Cohen calls the "ridiculous" \$100,000 cost. He argues that phone surveys are, in any case, a more effective method of measuring a younger audience.

Whatever the immediate future of out-of-home research, it's clear some kind of track record must be established to make this audience a regular part of the buying process. "A considerable amount of research is necessary before anybody would really use it in negotiations with the networks," Boz-

## Buyers already assume many out-of-home viewers for certain programs.

ell's Sternberg observes.

Agency executives are naturally skeptical because they can see the networks' underlying motive — countering the continuing audience fragmentation and the declining audience share. And there is that elusive factor of viewing quality.

While his agency would particularly welcome some real measurement of the out-of-home sports audience, JWT's Kostyra says practical limitations dictate its position of continuing with in-home ratings as usual. "In everything we've looked at, the downside is greater than the upside," he says.

NBC's Niles argues that all parties involved have been "spoiled" by in-home data, and it's simply time to acknowledge that the increased mobility of people's social habits has changed the tv viewing picture. There are, for example, 10 million portable tv sets in the U.S., all unmeasured.

"What it boils down to," Niles says, "is we're trying to get smarter about our business." But the price of gaining knowledge about out-of-home viewing could dictate just how smart the networks ultimately become. ■

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guide.

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(516) 665-8800

from the carafe, musing over whether there was life after media.

"We know that your client depends heavily upon coupons to move product," Art trumpeted, flicking to slide 23. "New, non-traditional vehicles for dissemination are constantly being sought. Not only have we invented a new couponing vehicle, we have invented a new advertising form beyond a doubt. Introducing . . . *Advertising Magazine!*"

Aileen looked at the screen and saw what appeared to be an oversized magazine.

"This is a publication which contains nothing but advertising," Art continued. "No editorial to distract your customers. A veritable showcase for the manufacturers of our fair nation. The format is simple. There will be themed sections. Hake Flakes will appear in the Nutrition section. Each advertiser will be asked to contribute two pages of advertorial, which for Hake Flakes could consist of recipes, balanced diet descriptions or, if you prefer, testimonials. Immediately following the advertorial spread will be a Hake Flakes four-color bleed page ad — that's the minimum size we will accept — and across from the ad, the *piece de resistance*: a full page of coupons!"

"I'm getting too excited, I know, but this is a revolutionary concept. You love it, Aileen, I can see you do by the gleam in your eye."

"You said that our Friendship Rate is \$1 million for year one?"

"That buys category exclusivity for 12 issues and a total of 48 pages of advertising. It's fantastic!"

"What will your circulation be?"

"In year one we are planning a distribution of 850,000 per issue, 10.2 million annually. We will be at every major toll plaza in the country."

"You're going to sell it at toll booths?"

"No, we're going to give it away at toll booths. With the advertising revenue which we expect to make and the low overhead with which we can run this operation, we won't have to charge your audience one thin dime."

"Mr. Crony, if you distribute 10.2 million copies of the magazine, I quickly calculate a CPM of close to \$100. If Hake Flakes were to run with *Advertising Magazine*, the client would probably have to stop advertising in all the other much more efficient, proven magazines we've recommended. I'm sorry, but it would be irresponsible — actually, impossible — for me to go along with this proposal."

## ADVERTISEMENT

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Arthur Crony began packing his equipment, smiling the brazen smile of a man holding all the marbles. "Honey, take my word for it. It's a done deal. In fact, your client may do it without you. Our rates are net. Why? Because I see this as a crossover vehicle. Is it advertising or is it promotion? Is it both? We'll let your client be the judge. When I meet her for lunch today, I'll be sure to let her know about your concerns. Be seeing you!"

Chauvinistic, patronizing, name-dropping. End-running the agency to sell directly to the client. All of the ingredients which combine to harden the hearts and arteries of media planners. "Crony-ism" is an affliction which could be wiped out in our time. Won't you help us? ■

# RADIO

**Dennis P. McGuire**

Radio supervisor,  
Ayer, New York



## RADIO IN THE 1990s, PART II

During the 1970s, the national radio representatives had one function — sell spot time for their client stations. Not very much was done about marketing radio.

Change began with the concept of the unwired radio network. John Blair and Company first worked with unwired in the late 1960s. This was in reaction to the growth of wired network, particularly after ABC subdivided its network into four off-shoots: information, entertainment, contemporary and FM. The other major players at the time were CBS, Mutual and NBC.

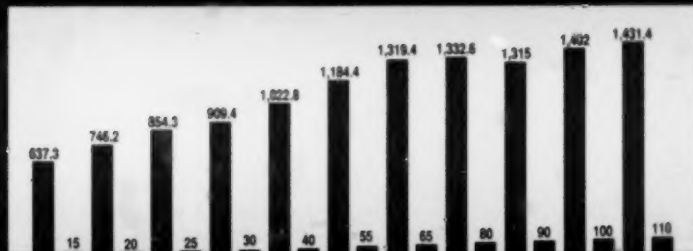
Blair wanted to offer an alternative to the agencies and their clients to halt the loss of spot dollars to network. Blair decided to do the same as the

## ADVERTISEMENT

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Publishing Co., Inc.

**TV BLUEPRINT:**  
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The Cable Guide!

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Bay Shore, NY 11706  
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wired networks, only on an unwired basis. The stations, however, were given nothing in return in regards to compensation or better rates, and unwired floundered. Then in 1981 Ralph Guild of McGavren-Guild established Interep and the game began in earnest:

**1981** — Interep established by Ralph Guild (McGavren Guild) with the start

of Hillier-Newmark (out of Buckley, Pro Radio and Bernard Howard).

**1982** — Internet born with the Interep purchase of Major Market. Katz Radio Group Network's foundation is formed with the Katz purchase of Christal and Republic. Supernet is formed by Eastman, Masla and Torbet.

**1985** — Blair strengthens its radio list with the unification of Selcom and

dition of CBS. (There are now four major players.)

**1987** — Katz buys Blair, reducing the field to two major players, KRGN and Internet, and one smaller player, Supernet.

**1989** — CBS and Eastman withdraw from Supernet and form Independent Radio Networks. Torbet is enfolded into Internet.

Exhibit I details total unwired spending for the last ten years. As demonstrated, there has been constant increases in this area. Yet there is great potential for future growth — particularly if unwired radio is used as an expedient way for buying national spot campaigns. Exhibit I also compares total unwired spending to the expenditure of national spot dollars (which also include unwired spending).

Unwired is not becoming an alternative to wired network, but rather a growing portion of national spot. There are, however, one or two caveats. I once wrote in an article that such an



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**The underlying  
concept behind  
the unwired nets  
is service as reps  
look to increase  
spot's role.**

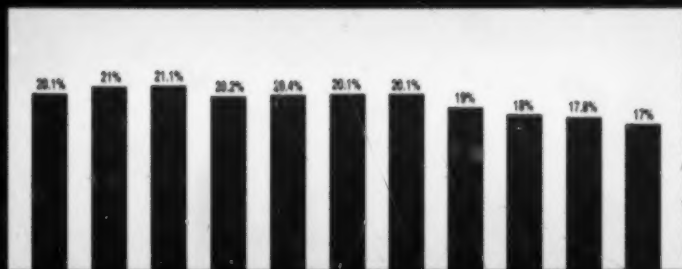
amalgamation of firms into unwired concerns may lead to conflicts of interest and the potential for price fixing. I was advised that the following act as protective measures against collusion:

- Reps don't control inventory and subsequent pricing.

- Stations are fiercely independent. Station managers must report to owners or boards of directors who want to see maximized profits.

- Individual salespeople at the reps are paid on commission for their lists. As such they have a vested interest in seeing that competition is kept alive and well.

We have the assurance that the unwired firms individually and collectively are in a non-collusive position,



and we know that the various branches of the big outfits are in competition with each other. How does this benefit radio and who does it help? Well for one, it helped me and one of Ayer's clients, J.C. Penney.

By working with one salesperson from each of the unwired firms, our department was able to negotiate 14 events. In the process, 3,844 individual

orders were negotiated for Penney. Only two Ayer employees were assigned this project. Backing up each of the three salespeople who called on the agency were teams of salespeople at the individual rep firms.

Now it is beginning to appear evident the underlying concept behind the "unwired networks" is service. The national reps want to be more than or-

der takers — they want to be involved in the agency decision-making process when radio is discussed. And while the departments or organizational centers at the major reps have different names, their goal is the same — more spot dollars (see Exhibit II).

At Katz the division is called Katz Radio Group Marketing. According to Bonnie Press, vice president and general manager of KRGV, the department is responsible for marketing and business development.

At Interep and Supernet, the drive behind added spot dollars is a concept called the "Radio Store." The Radio Store, according to Bob Lion, regional executive for Interep and general manager of Supernet, is a metaphor for complete "customer service."

The national reps' goal is to become an integral part of a client's advertising plans. The rep will act as a "personal shopper" for the client or agency buyer where he or she can do their "one-stop shopping."

How is this to be accomplished? The reps want to be there not only to facilitate a radio buy, but to suggest ap-



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- 88.4% professional/managerial
- 72.4% graduated college
- 36.6% are members of one or more companies board of directors
- 73.8% make purchasing decisions/have purchasing influence for their firms

\*Source for all demographics — A.C.M.S. Subscriber Study Report 6/89. Complete copy available upon request.

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appropriate uses of the medium during the planning process.

Young planners are making decisions and assertions about the potential use of radio. They don't have the long-term expertise of many of the radio executives at the reps, however. This is the hypothesis behind the "customer driven" thrust.

The agency and rep firm have specific features. For the agency it's a skilled creative staff, managerial control and competence and strong media expertise. The rep firms have relationships with hundreds of radio stations and skills and know-how about radio. These features can be channeled to the benefit of the client. The customer-driven philosophy will serve two goals:

*Strategically:* To keep money in radio and get more advertisers to utilize the medium.

*Tactically:* To keep the massive volume of paper work (coming out of increased radio usage) manageable and in line.

Assuming that the national firms succeed with their "strategic goals," support can be summed up in four points:

- Involvement in the planning as well as the buying process.
- Coordinate merchandising.
- Handle the increase of follow-through paperwork.
- Provide accountability (vis-a-vis affidavit of performance).

Finally, two other interesting developments are worthy of comment. One is format directed, the other springs from an individual station.

Let's first examine the format-directed change. Interep has established a separate selling division for classical stations so that, as Melinda Murphy, director of Classical Music Marketing, states, their classical stations don't "get lost in the shuffle." Murphy works at two levels — with the individual rep-firm account exec and with the client. She foresees combining her stations with other media, such as the Arts & Entertainment Channel on cable or the regional editions of upscale magazines. Rather than fight other media for dollars, she wants to integrate her stations with these options. The idea is currently being tested, and Murphy is a co-op employee of Interep and the stations, with compensation coming

from each.

The other development in progress is station WXXS-FM's venture with coupon sampling. This Boston station is aligning itself with direct mail to publish "Sample America," a coupon "magazine" offering free items. The book is expected to be sent to over 1 million women 25-49 in the Boston ADI, or 94% of the universe.

Because of the nature of the promotion, the station is projecting a redemption rate of 12% (normal redemption is 2%-3%). The concept

## A classical format is seeking alliances with non-radio media, and a station now pitches coupons in a direct-marketing deal.

will be supported with on-air announcements for one month. The promos will also mention the participating clients' products.

This is a prime example of one station venturing out and experimenting with another medium. The station can generate new business by getting the participants in the coupon book to support their products on WXXS-FM.

In conclusion, what do we see for the 1990s?

- An increase in radio spending in all three areas — local and retail, wired network and national spot.
- A greater dependency on technological advancements.
- A more involved role on the part of the national reps to increase radio usage among existing clients and to attract non-users of radio to the medium.
- More innovative ways on the part of the stations and reps to represent their products.

Radio is an exciting and important medium. This importance has not been diminished by time but rather enhanced. ■

# BRAND REPORT

No. 166: Intimate Apparel

## INTIMATE DETAILS

by Brian Bagot

**P**ity the poor husband in search of a gift of lingerie. In the intimate-apparel department of his favorite store, he's confronted with rack after rack of garments in every conceivable size, shape and form — foundations,

daywear, control tops, lounge wear, nightwear. And although he's probably ruled out the utilitarian, he's still going to be confronted by a dizzying set of choices. Even women can get confused with figuring out all the different looks — pretty, sexy, demure, sophisticated or all-out raunch — not to



**INTIMATE APPAREL EXPENDITURES (000)**  
July 1989 - June 1989

|                   | Media<br>Total | BAR<br>Network<br>Television | BAR<br>Spot<br>Television | BAR<br>Cable<br>Television | BAR<br>Syndicated<br>Television | RER<br>Spot<br>Radio | LNA<br>Magazines | MR<br>Newspapers | LNA<br>Sunday<br>Magazines | LNA<br>Outdoor |
|-------------------|----------------|------------------------------|---------------------------|----------------------------|---------------------------------|----------------------|------------------|------------------|----------------------------|----------------|
| <b>BRASSIERES</b> |                |                              |                           |                            |                                 |                      |                  |                  |                            |                |
| Playtex           | 9,933.4        | 8,134.1                      | 466.0                     | 12.5                       | 1,320.7                         | —                    | —                | —                | —                          | —              |
| Warner's          | 930.4          | —                            | 11.1                      | —                          | —                               | —                    | 919.3            | —                | —                          | —              |
| Maidenform        | 2,603.5        | 209.5                        | 1,938.0                   | 2.2                        | —                               | 18.0                 | 400.3            | —                | 35.5                       | —              |
| Bali              | 3,566.5        | —                            | 17.4                      | —                          | —                               | —                    | 3,478.6          | —                | 70.5                       | —              |
| Olga              | 812.1          | —                            | —                         | —                          | —                               | —                    | 812.1            | —                | —                          | —              |
| Vanity Fair       | 1,372.2        | —                            | 1.2                       | —                          | —                               | —                    | 1,335.5          | —                | 35.5                       | —              |
| <b>UNDERWEAR</b>  |                |                              |                           |                            |                                 |                      |                  |                  |                            |                |
| Fruit of the Loom | 4,191.0        | 2,252.6                      | 19.9                      | —                          | —                               | —                    | 1,918.5          | —                | —                          | —              |
| Hanes Her Way     | 8,528.0        | 4,443.4                      | 410.3                     | 59.8                       | 42.1                            | —                    | 3,572.4          | —                | —                          | —              |
| Jockey for Her    | 2,602.6        | —                            | —                         | —                          | —                               | —                    | 2,002.6          | 0.7              | —                          | 551.0          |
| Gilano**          | 141.6          | —                            | —                         | —                          | —                               | —                    | 141.6            | —                | —                          | —              |

Sources: Arbitron's Broadcast Advertisers Report (BAR), Leading National Advertiser (LNA), Radio Expenditure Reports (RER), Media Research (MR). \*\*Spot radio is for 1988 expenditures. \*\*\*Third and fourth quarters of 1988; no spending, first half 1988.

mention the tons of styles and prices.

While the major marketers dominate their marketplaces, they maintain their holds with a wide variety of products designed to meet their market's every need or desire. Bra sales leader Playtex is likely to be promoting as many as six different brand names. And in the panty department, the ten leading panty brands are responsible for 75% of the department store unit sales, again with lines appealing to a wide variety of tastes, according to Deborah Press, vice president of apparel research at NPD Group, citing NPD's Post report.

Highlighting the competitive nature of the business are aggressive as well as unusual advertising campaigns from Playtex, Maidenform and Jockey, which take a different approach to the industry's traditional model-in-product ads. Playtex, for example, has dropped the mannequin bust and is using live models in its tv ads, while Maidenform is not even showing the product, but using sexy male stars to talk about lingerie. And the Jockey campaign uses "real women" from all walks of middle-class to upper-end life.

But despite these campaigns, Wanla Cheng, senior vice president at Saatchi & Saatchi, Bali's agency, feels the \$2.6 billion bra and panty categories are under-advertised. The entire intimate-apparel market is about \$6 billion, according to NPD. Yet the leading bra and panty brands only spent about \$35 million in the rolling year ended June 30, 1989, says Leading National Advertisers, and half of that came from Playtex and Hanes, with everyone else chipping in for the other half.

"From a media standpoint, it's just a very under-advertised category," Cheng says. "I think one of the interesting things is that Warner's is a major player and yet spends under \$1 million. In the last year, it probably didn't spend a half a million dollars."

Maidenform's Marilyn Bane, vice president of advertising, thinks the lack of tv ads is why there are no big dollars spent on the category. "The reason is that up until fairly recently, you couldn't show a woman in a bra on television," she says. "I think your heavy money is on television, and by the nature of our product, it's difficult doing justice to it from a number of different angles on tv."

In bras Playtex is the leader with 11% of the market, followed by Warner's with 7.5% and Maidenform with about 6.8%, based on industry estimates. But in department stores alone, which account for the largest share of bra sales, Warner's heads the list with 31% of the dollar share, and Maidenform follows with 28.2%. Total department-store sales in 1988 represented \$428 million of the \$1.5 billion bra business, according to the American Apparel Manufacturers Association, citing the KSA/NPD Purchase Diary.

National chains account for 23.1% of sales, says the AAMA, and most of these sales come from private-label entries. Penney's and Sears, for example, together control 19% of the bra market

## Most of the "undies" brands use print as their primary medium, except Hanes and Playtex.



mostly with private-label goods.

But in panties, the action is in the discount arena. Overall, this retail segment represents 36.1% of the category's unit sales. The brand leaders in this \$1.1 billion segment are Fruit of the Loom and Hanes, with 8.6% and 6.6% of the market, respectively.

That puts a surprising twist on Jockey for Her. Although Jockey is the brand leader at the department-store level, with about 28%, when the discounters are put into the equation, the brand's share drops to about 2.8% of the \$1.1 billion panty market. Private label is also strong and accounts for between 12%-15% of the total department store unit sales, according to NPD's Post report. Private label at the discount level is also a major factor but virtually impossible to track because of the tremendous amount of names used in the category.

With a broad base of women as the target demo, most of the bra brands use print as their primary medium, with heavy emphasis placed on the fashion

magazines that include *Vogue*, *Cosmopolitan* and *Elle*, as well as women's service and lifestyle books, such as *Woman's Day*, *Self* and *Redbook*.

Playtex is the only brand to use tv exclusively, with the bulk of its ad dollars spent in network.

Panties rely primarily on print, with titles that include *Family Circle*, *Mademoiselle* and *People*.

With many of the brands not investing heavily in media buys, the real slug-out is on a product basis in the retail ring, with promotions like percentages off and buy-two-get-one-free. The industry as a whole runs semi-annual sales in January and June, and this year a special sale celebrating the 100th anniversary of the bra was held in August.

Co-op advertising is also an important element of the business, although none of the companies would comment on how much is spent. However, Peter Velardi, chairman and chief executive officer for Vanity Fair Mills, says his company gives retailers a 3% co-op deal based on orders that goes to catalogs, bill enclosures (a favored direct-mail technique) and other vehicles to push the brand at the local level.

Display has grown in importance, particularly in department stores, and manufacturers are making the category even more intimate with boutiques. This, according to Kurt Barnard, publisher of the *Retail Marketing Report*, is in response to the success of specialty retailers like Victoria's Secret, a national lingerie chain and mail house. "The department-store shop concept is being redeveloped as they try to forestall the impact from the kind of stores Victoria's Secret represents," says Barnard.

Looking at the success of Victoria's Secret, Olga is currently experimenting in Kaufmann's department stores in Pittsburgh with special fixtures pointing out the features of the Olga and Olga's Christina lines.

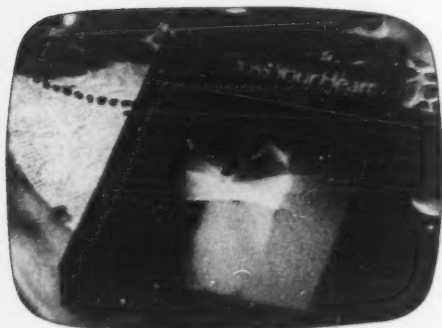
Following is an up-close look at how the leading bra and panty companies, ranked on industry estimates, fit into the market.

### Playtex

Playtex, with about 11% of the total bra market, blazed a trail on tv in the spring of 1987 that no other intimate-

apparel maker has yet to follow. The mannequin busts were dropped, and now living models are wearing the bras, sans leotard.

D.A. Hutnick, vice president, management supervisor at Grey Advertising, Playtex' agency, thinks that the rather loose ways of television programming these days has strengthened the intimate-apparel maker's argument to get the ads on the air. "Grey at that time had been doing international ad-



**Playtex is the only brand to use tv exclusively, mostly in network.**

vertising for Playtex, and we were always shooting the women in the bras for international use. It seemed like the networks were starting to be a little bit more up to date with today's market," she explains. "They realized that the bra on a bust form or the model in a leotard with the bra over it clearly wasn't necessary."

A unique strategy relegates ad dollars strictly to tv, to the tune of \$10 million in the year ended June 30, 1989, with \$8 million of that spent on network, including daytime on game shows and soaps as well as top-rated prime-time shows. The money was split between the two time periods.

And although Playtex has several lines, only two are advertised — Cross Your Heart and 18 Hour. Both are positioned for sale in moderately priced department stores against competing brands like Maidenform, Warner's and Bali. The line is targeted at women 18-54, the media target age is 25-49. The 18 Hour line also has a skew toward slightly older, full-figured women.

Print is not used, according to Robert R. Hall, vice president of marketing for Playtex, because there's "too much clutter in magazines, and we'll be one

of a thousand. If you look in many of the women's and fashion books, there's just bra ad after bra ad. We feel that, with the dollars we have, consolidating them in one medium is appropriate."

### Warner's

Warner's has about 20% of the entire intimate-apparel market in the top 100 department stores, according to Robert Mulrenan, president of Warner's, a division of Warnaco. And industry estimates give the brand about 7.5% of the total bra business, while it's number one in department stores with about 31%.

Warner's positions itself as a brand that can provide products to all women, from merchandise for young women who are just starting into bras to more mature figures. The brand is divided into four major groups, including Just Your Fit, which offers unstructured bras designed for young women with good figures.

Two others under the Warner's brand are its moderate-control and fashion lines, upscale bras available in a variety of types. The fourth group is



**Warner's position is that it can provide products for all women.**

full-figure bras targeted to women aged 40 and up.

The media schedule for each varies as the target changes. For the Just Your Fit group, ads from Wells Rich Greene run in *Mademoiselle*, *Cosmopolitan* and *Seventeen*, while the control and full-figure styles get space in *Ladies' Home Journal*. The fashion bras run in

the fashion-oriented books, such as *Cosmopolitan*. *People* magazine is also used when the brand has a major promotion, like its March sale, according to Mulrenan.

Media spending for the company's complete line of lingerie totaled almost \$1 million in the 12 months ended June 1989.

Other promotions include a buy-two-and-save-\$7 pitch, which runs twice a year, as well as a buy-two-get-one-free sale.

Cost is the prohibitive factor keeping the brand off tv, according to Mulrenan, although tv is used in a co-op program with Dillard's Department Stores in the West and Southeast.

### Maidenform

Maidenform is taking an unorthodox approach to advertising its line of lingerie by not showing either the product or a woman, but rather a variety of sexy male movie and television stars talking about lingerie. When the campaign from Levine, Huntley, Schmidt and Beaver began back in '87, the two stars were Omar Sharif and Michael York. The next campaign featured Corbin Bernsen. The 1989 spokesman is Christopher Reeve.

Positioned as a department-store brand, Maidenform is targeting two age groups of women who will pay \$15 and up for a bra. The primary demo is 18-34, while the secondary is 18-49. With this wide age group, different types of men had to be used in the campaign, according to Marilyn Bane,



**Maidenform bucks the trend and uses male stars for its lingerie.**

*Self and Working Woman*. We really run the gamut."

And for its campaign that broke this month, the print ads have been updated to give more visual interest by the addition of more props. Prior to this the ads had the models in front of clean, abstract backgrounds.

"What we've managed to do is bring in more visual interest while enhancing the product and not taking any attention away from it," says Cheng. "We're also using more of the top fashion models."

Print cost the company \$3.6 million in the year ended June 30, 1989, according to LNA.

Bali is estimated to have about 6% of the total bra market in sales volume, while in the department-store segment, it has 22.6%.

### Olga

With two lines under the Olga brand, Olga and Olga's Christina, the company is targeting a slightly different consumer for each, according to Helen Lee, director of marketing services for Olga, another Warnaco division. Though both lines target upscale consumers in the basic demo who shop better department and specialty stores, the Olga customer tends to be a little more traditional, one who is concerned more with comfort than fashion.

The Olga's Christina consumer is a



**Comfort with fashion is the theme for the Olga line.**

more contemporary woman, says Lee. She works out and is younger than the traditional Olga buyer. But Lee points out that "there are quite a few older

women wearing the Christina products." There is also a Christina maternity line, which targets professional women in particular.

Recognizing the different skews between the two lines, the ads from Wells Rich Greene tell a different story. The Olga line features models in a more traditional setting, while Christina's ads feature active lifestyles and have a more contemporary look and feel. Instead of a deliberate pose, she's running with the wind blowing in her hair.

The schedule is primarily print, with most ads running in *Cosmopolitan*, *Glamour*, *Vogue*, *Harper's Bazaar* and *Elle*. "We think of the fashion-conscious consumer, which is who we appeal to in both lines and who is reading those magazines," states Lee.

Television is not used, in part due to the expense. "For our size, we feel it's not the most efficient use of our money since we have a limited distribution," she says.

All spending was in print during the year ended June 1989 and totaled nearly \$1 million, according to LNA.

Although Lee wouldn't say how much the company spends on co-op advertising, she did say it was where the most money was spent. "The stores feel it's very important, so we feel it's very important to participate with them," she states. "We participate in it but have less control over it, because the stores have their own style."

Olga has about a 14% share of the department-store bra dollar volume, while in the total bra market, its share is estimated at 3.5%.

### Vanity Fair

The Vanity Fair line of intimate apparel, which covers bras, panties, robes and sleepwear, aims its marketing thrust at the medium- to better-priced department store's customer. The bra and panties segment is about 45%-50% of the company's volume, with the bra share holding on to about 3.5% of that market's total dollar volume. But in department stores, its share is about 11%.

The brand is also in the various size segments ranging from petite to large, creating a rather wide customer base, but the company's media target is the 30-35-year-old woman who is upscale and better educated. However, Peter

Velardi, chairman and chief executive officer of Vanity Fair Mills, points out, "We appeal to women 18 to 60."

Based on the concept that lingerie is



**At Vanity Fair lingerie is something women do for themselves.**

a sensual experience for women, explains Gay Wasserman, senior vice president, management representative at Vanity Fair's agency, Bozell Inc., "we really try to take what we feel represents the contemporary woman. Vanity Fair's posture has tended to be that lovely lingerie is something you do for yourself."

Velardi explains that the ads are not designed to sell the specific product featured, but "designed to position the image to the consumer with the Vanity Fair product. We've been running the same kind of advertising, non-gimmicky. We don't believe we needed to chase a fire engine in a Vanity Fair bra and panty," he says, referring to the classic Maidenform campaign. "That was not us, not the way we wanted to position our product with the consumer."

The strictly print campaign totaled \$1.4 million in the period covered, and runs the gamut of fashion books, including *Elle*, *Harper's Bazaar*, *Mademoiselle* and *Cosmopolitan*. Some runs were also placed in *Redbook*.

Television is not used, according to Velardi, "because it's very expensive to do well."

### Fruit of the Loom

Fruit of the Loom is positioning its line of women's panties for sale in the discounters like K mart, Jamesway and

vice president of advertising at Maidenform.

"We're using different men because they're appealing to different women," she explains. "Michael York was a debonair European, while Corbin was much more contemporary, with a mischievous boy quality to him." Reeve, she says, brings the wholesome boy next door kind of attitude, and each one of the men has hit certain chords with different women.

"We're trying from an advertising standpoint to go counter to any trends. One of the biggest problems we had before this campaign was that [bra ads] all looked alike," emphasizes Bane. "You could literally take the logo off anyone of those print ads and put it on another."

The campaign is in both tv and print. Television is a combination of network and heavy airing in top spot markets during prime time on programs such as *Murphy Brown*, *Designing Women* and *thirtysomething*. They invested \$2.2 million in tv in the 12 months ended June 1989.

In print, a list of fashion magazines

is used, including *Vogue*, *Harper's Bazaar*, *Mademoiselle*, *Elle* and *Cosmopolitan*. This cost about \$500,000 during the period, according to LNA.

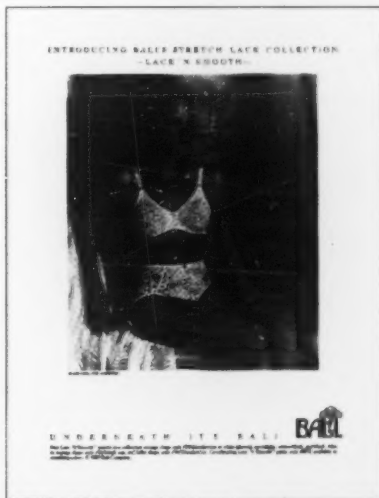
Industry estimates place Maidenform number two in department store sales, with about a 28.2% share, while in the overall bra market, Maiden-

form's share is about 6.8%.

### Bali

Bali, a division of Sara Lee Corp., positions its line for sale in moderately priced department stores, and in the past three years has updated its styles to give the line more fashion appeal. "It's really positioned for middle America. We're not in the mass-merchandise area and not in the Bonwit Tellers of the world," says John Heanue, vice president of merchandising for Bali.

With its primary target women 25-54 with household incomes of \$30,000 or more, the strictly print campaign is running in a long list of books, including *Cosmopolitan*, *Family Circle*, *Harper's Bazaar* and *Lear's*. "Basically, to try to attain and reach our frequency objectives, we use reach magazines like the women's service books. Then because we are a department-store and fashion-type product, we are also in the fashion magazines," explains Saat-chi's Cheng. "We are also in the lifestyle/special-interest magazines and working-women magazines, such as



*Bali is giving more visual interest with the addition of props.*

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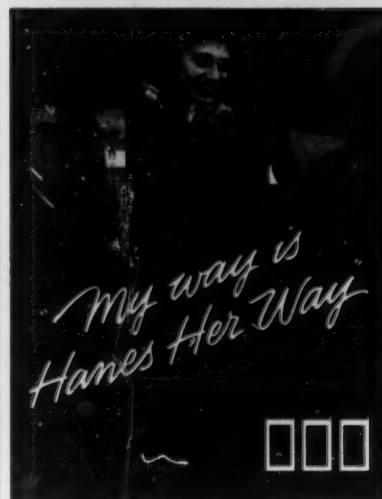
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NBC commissioned Survey Design and Analysis to conduct this research among a national probability sample earlier this year. Planning brochures on late night and daytime serials can be obtained by calling (212) 664-7579 or writing NBC Marketing, Room 4746, 30 Rockefeller Plaza, New York, NY 10112.

 **NBC**  
**Magna Cume Campus**



*Hanes speaks to women about their attitudes and feelings about undergarments.*

## Hanes

Hanes is the second-largest advertiser in the intimate-apparel category, behind Playtex, with \$8.5 million spent on its Hanes Her Way brand of women's panties and bras. In the rolling year ended May 1989, the brand had 6.6% of the panty market.

Positioning its brand in the mass merchandisers and with a media target of women 18-44, Hanes is using a creative that speaks to women about how they feel and want to feel about their clothing and undergarments. "We position our panty as a pretty panty that's comfortable. With the slogan 'My Way is Hanes Her Way,' it makes the consumer feel the garment is being made for her," explains Mark Noyes, product manager for Hanes Her Way.

Three flights from Long, Hanes & Carr, Winston-Salem, N.C., run on primarily network tv three times a year — during the back-to-school, Christmas and spring selling seasons. Television spending for the year ended June 30, 1989, totaled almost \$5 million, with most of the dollars going to high-impact shows such as *Cosby*, *Roseanne* and *Designing Women*. "These shows are appealing to our target and have high visibility and loyalty," says Noyes.

In print, which LNA says cost Hanes \$3.5 million in the period, a diverse selection of titles was used, including, *Family Circle*, *Cosmopolitan*, *People*, *Glamour* and *Seventeen*.

The brand is also being extended,

according to Noyes, who says a fleece program and socks are being test marketed. "We offer a mega-brand concept to retailers so they can capitalize on the visibility that Hanes Her Way is generating now," he says.

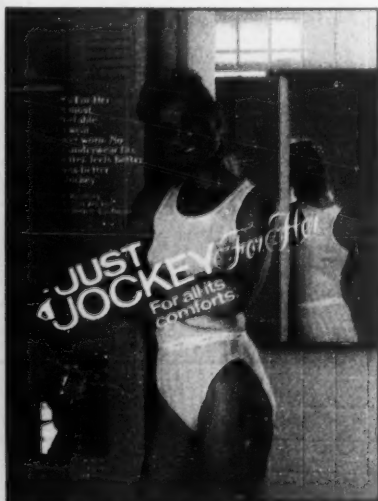
### Jockey

Jockey has taken an unusual approach to its ad campaign by spinning off from its men's underwear ads to feature "real" women wearing Jockey for Her. Doctors, dentists, a grandmother and a construction worker have all posed for and in Jockey for Her in a print campaign that cost \$1.8 million in the rolling year ended June 30, 1989, according to LNA.

Bill Herrmann, senior vice president of advertising for Jockey's in-house agency, Thorobred, says Jockey uses women from everyday life, allowing the company to match up the women and their lifestyles to the magazine reader. "We would not advertise a 59-year-old grandmother banker in *Seventeen*," he says.

The primary target groups are the 18-35- and 36-49-year-old department-store shopper, although girls younger than 18 are wearing the brand, which accounts for ads in *YM*. And to the older end of the market, ads run in *New Choices* as well as *Modern Maturity*. Other titles include *People*, *Cosmopolitan* and *Mademoiselle*.

Out of the top 100 department stores, Jockey has about a 28% share



Jockey enlists "real women" to pitch the comfort of its brand.

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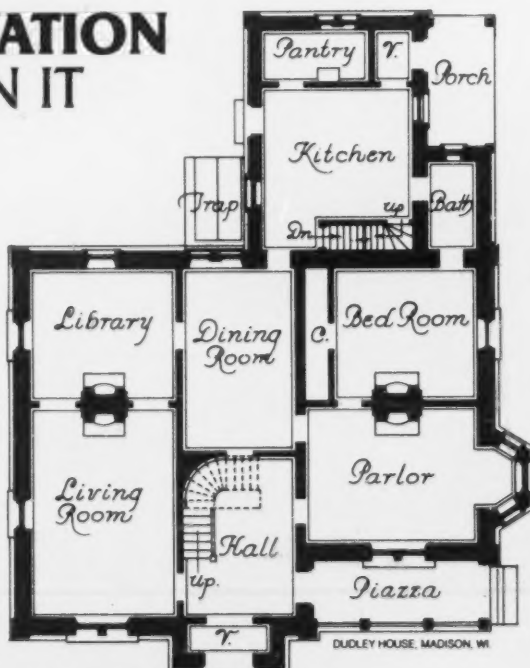
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of sales, according to Howard Cooley, president of Jockey. Industry estimates peg Jockey's share of the panty market at 2.8% in the year ending May 1989.

With underwear a gift item, the brand gets a big push during holiday season. These include Mother's Day, Christmas and back-to-school. In addition, there is also a "Get Acquainted with Jockey" retail price-break promotion run during the holidays.

Unlike Playtex, Jockey thinks tv has too much noise and sticks primarily with print. "If we place our ads in the proper print media, we think we have a better chance of reaching our audience," says Herrmann. "Plus the fact that when we like to advertise, which is the holiday season, there's an awful lot of noise on television, and we think our money is better spent in print."

Not just limited to bottoms, Jockey markets tank tops, camisoles, crop tops and a non-structured bra that doesn't have cup sizes. Jockey is considering the possibility of entering the bra market with a full line of structured bras for next year, meaning the brand will go head to head against Maidenform, Vanity Fair and Warner's.

### **Gitano**

Gitano considers itself an upscale brand developed for marketing through mass merchants and discounters, with the main target middle- and lower-income women. And with consumers associating the brand with upscale department store merchandise, the advertising addresses the aspirations of these consumers.

But despite its upscale, youthful image created by the ads, which for the brand's line of basic and fashion panties was done mostly in print at a cost of \$141,600 for the year, according to LNA, the primary customer is 25-54.

Since entering the market late in 1986, the brand has battled the powerhouses of Fruit of the Loom and Hanes and has been able to secure about 3.1% of the panty business.

In addition to its strong mass merchant business, there is also a Linea Gitano label that is distributed through department and specialty stores.

Ads generated from The Ad Group, Gitano's in-house agency run in *Good Housekeeping*, *Cosmopolitan* and *Self*. ■

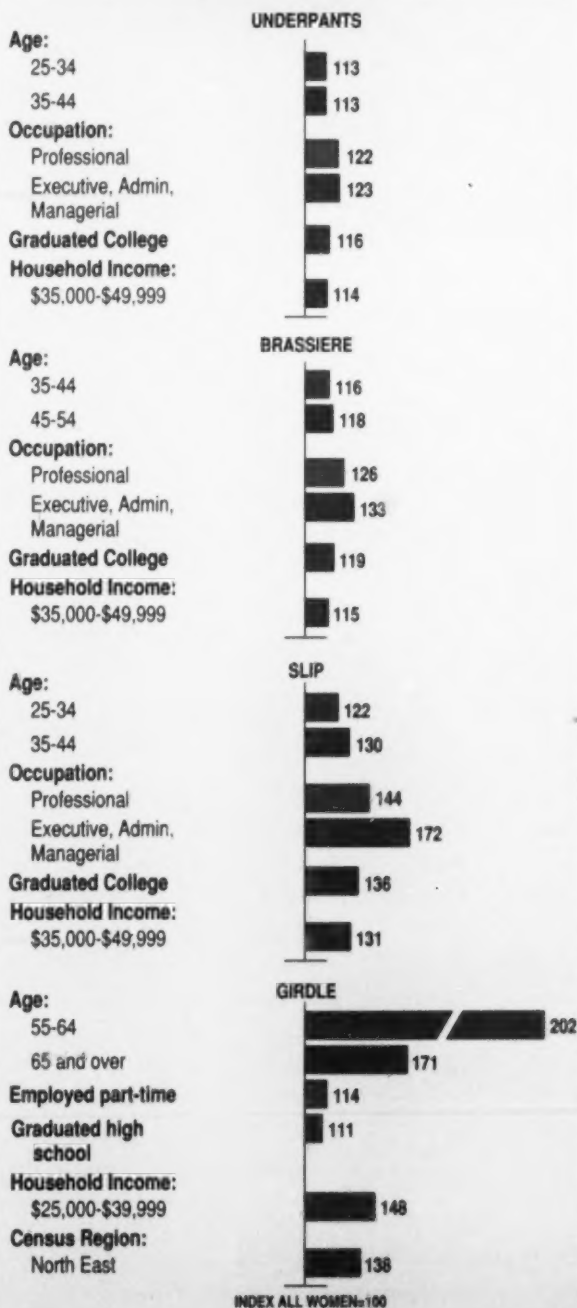


# BRAND REPORT INDEX

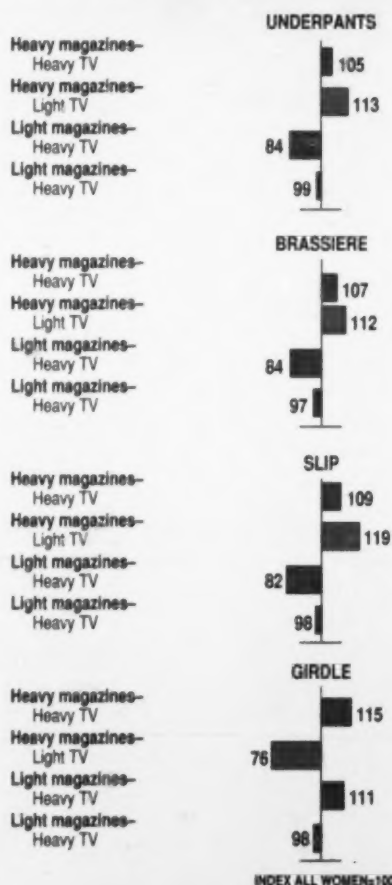
## INTIMATE APPAREL

**How to read:** Our indices of user demographics and media preferences are used to indicate the direction and amount of difference from the average. The index of the average is, by definition, 100. Thus, an index of 112 reflects a 12% above-average incidence. An index of 89 indicates an 11% below-average incidence.

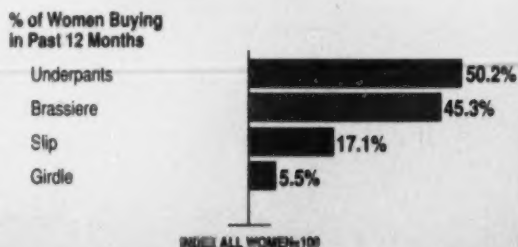
### KEY DEMOGRAPHICS: BUYERS OF WOMEN'S INTIMATE APPAREL



### MULTI-MEDIA EXPOSURE BUYERS OF WOMEN'S INTIMATE APPAREL



### PURCHASES OF WOMEN'S INTIMATE APPAREL



Source: Mediabank Research Inc. Spring 1989

# SALES PROMOTION

by Russ Bowman

PULL OUT

## 1990: MORE DATES, FEWER PLAYERS

The promotional media schedule for 1990 (see other side) reflects a stabilization of the tried and true. It also displays a concentration of power that resembles the trend among marketers who buy all these coupon programs.

Last year's major purchase of two free-standing insert (FSI) companies by Rupert Murdoch put the entire multi-million-dollar FSI business in the hands of the Australians and, more importantly to the FSI business, brought about better price stability. As the FSI prices came out of the "bargain basement" category, comparisons with other couponing methods began to look more realistic.

The 1990 promotional media calendar lists 279 dates (compared to 259 in 1989, 269 in '88 and 236 in '87). That's an 8% increase, following a 5% decrease in available dates last year. This up-and-down pattern doesn't seem important on the surface, but the new factor is the shift in power and concentration. The 1990 schedule for the first time shows two companies (Valassis and News America) account for 179 out of the total 279 available promo dates.

Recently both companies announced expanded schedules for 1991. First Valassis announced an increase to 46 dates. Then Rupert Murdoch's News America division announced it will publish FSIs every week in 1991, even on holiday weeks. The News America package for 1991 will consist of 34 Product Movers issues and 28 Quad issues — six more issues than 1990. Now, once again, it remains to be seen if these increases will represent more supply than demand.

(For those who follow the legal implications in the promotion/media industry, the civil action suit by Product Movers vs. Valassis, reported in last year's annual report, was dismissed by the Federal Trade Commission because the commission doubted that provision of coupon inserts represents a relevant market that could be monopolized by predatory pricing.)

Three programs listed on last year's annual *M&MD* calendar didn't make it this year (Metromail's Red Letter Day, Act Media's Act Direct and Gannett's Four-Color Newspaper Network co-op

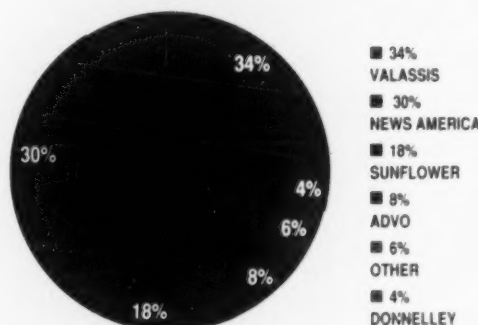
Incidentally, the Cable Direct television support seems to reflect a trend toward broadcast support in the promotional media business. Product Movers and Quad FSIs are already being supported with national tv commercials on daytime network and programs such as *CBS Sunday Morning*. Larry Tucker direct mail co-ops will be supported by television spots on daytime game shows starting in 1990, and Valassis has added support of its FSIs on in-store POP Radio. The POP Radio spots will run in 7,000 food stores and 8,000 drug stores. Those spots will deliver 88 million grocery shoppers a week and 240 million drug store shoppers a month.

One unique entry in the coupon distribution arena comes from Stratmar Systems, the company that currently markets and administers Shoppers Pay Day. Stratmar has teamed up with the American Cancer Society to offer manufacturers of healthful products a six-state test for April 1990. The coupons will be distributed in booklet form directly to homes by the American Cancer Society fund-raising volunteers. The test in Minnesota, New York, Oregon, Pennsylvania, Texas and Washington

will reach 4.5 million households.

Another emerging trend is a broader perspective on the "Promotion Media Plan," a more thorough document integrating both external promotion media, such as FSI and direct mail, and in-store media, such as POP Radio and POP Media/Act Media. There's even a new promotion media planning tool from one of the major research sources in the country. MRI has introduced "Promomark," a survey of consumer attitude and use of promotional offers by product category, available in book form or "on-line." ■

SHARE OF PROMOTION DATES  
BY COMPANY, 1990



couponing programs went out of business). Two new companies and their programs have been added — Bell South's Cable Direct and Murdoch's *TV Guide* Couponing.

Cable Direct is the most venture-some entry, with a national mailing to 34 million primarily cable tv subscribers, supported by three weeks of advertising on local cable tv channels. According to Dick Keller, vice president of sales for Cable Direct, "In 1989, 58 companies and 81 different brands tested the concept," known as "The Brand Book."

# MARKETING & MEDIA DECISIONS

## 1990 Promotional Media Calendar

|       | FSIs |          |      | IN STORE |     | ROP |     | MAG | DIRECT MAIL* |    |    |    |    |
|-------|------|----------|------|----------|-----|-----|-----|-----|--------------|----|----|----|----|
|       | Val  | Prod Mov | Quad | Act Now  | SPD | Val | Sun | TVG | CW           | MB | LT | CD | SN |
| JAN 7 | X    | X        | X    | X        |     | X   | X   | X   | X            |    |    |    | X  |
| 14    | X    | X        | X    |          |     | X   | X   | X   |              |    |    |    |    |
| 21    | X    |          | X    |          |     | X   | X   | X   |              |    |    |    |    |
| 28    | X    | X        |      |          |     | X   | X   | X   |              |    |    |    |    |
| FEB 4 | X    | X        | X    |          |     | X   | X   | X   | X            |    |    |    |    |
| 11    | X    | X        |      |          |     | X   | X   | X   |              |    |    |    |    |
| 18    | X    |          | X    |          |     | X   | X   | X   |              |    |    |    |    |
| 25    | X    | X        |      |          |     | X   | X   | X   |              |    |    |    |    |
| MAR 4 | X    |          | X    | X        |     | X   | X   |     | X            |    |    |    |    |
| 11    | X    | X        |      |          |     | X   | X   |     |              |    |    |    |    |
| 18    | X    | X        | X    |          |     | X   | X   | X   |              |    |    |    |    |
| 25    | X    | X        |      |          |     | X   | X   | X   |              |    |    |    |    |
| APR 1 | X    | X        | X    |          |     | X   | X   | X   | X            |    |    |    |    |
| 8     | X    | X        |      |          |     | X   | X   |     |              |    |    |    |    |
| 15    |      |          |      |          |     | X   | X   |     |              |    |    |    |    |
| 22    |      |          | X    | X        |     | X   | X   |     |              |    |    |    |    |
| 29    | X    | X        |      |          |     | X   | X   | X   |              |    |    |    |    |
| MAY 6 | X    | X        |      |          |     | X   | X   |     |              |    |    |    |    |
| 13    | X    | X        | X    |          |     | X   | X   | X   | X            |    |    |    |    |
| 20    | X    | X        | X    | X        | X   | X   | X   | X   |              |    |    |    |    |
| 27    |      |          |      |          |     | X   | X   |     |              |    |    |    |    |
| JUN 3 | X    | X        | X    |          |     | X   | X   |     |              |    |    |    |    |
| 10    | X    | X        |      |          |     | X   | X   |     |              |    |    |    |    |
| 17    | X    | X        | X    |          |     | X   | X   | X   |              |    |    |    |    |
| 24    | X    | X        |      |          |     | X   | X   | X   |              |    |    |    |    |
| JUL 1 | X    |          |      |          |     | X   | X   | X   |              |    |    |    |    |
| 8     |      | X        | X    |          |     | X   | X   |     |              |    |    |    |    |
| 15    | X    | X        |      |          |     | X   | X   |     |              |    |    |    |    |
| 22    | X    | X        | X    |          |     | X   | X   |     |              |    |    |    |    |
| 29    | X    | X        |      |          |     | X   | X   |     |              |    |    |    |    |
| AUG 5 | X    |          |      |          |     | X   | X   | X   | X            |    |    |    |    |
| 12    | X    | X        | X    | X        |     | X   | X   | X   |              |    |    |    |    |
| 19    | X    | X        |      |          |     | X   | X   |     |              |    |    |    |    |
| 26    | X    | X        | X    |          |     | X   | X   | X   |              |    |    |    |    |
| SEP 2 |      |          |      |          |     |     |     | X   |              |    |    |    |    |
| 9     | X    | X        | X    |          |     | X   | X   |     |              |    |    |    |    |
| 16    | X    | X        |      |          |     | X   | X   | X   |              |    |    |    |    |
| 23    | X    | X        |      |          |     | X   | X   |     |              |    |    |    |    |
| 30    | X    |          | X    |          |     | X   | X   | X   |              |    |    |    |    |
| OCT 7 | X    | X        | X    | X        | X   | X   | X   |     |              |    |    |    |    |
| 14    | X    | X        |      |          |     | X   | X   | X   | X            |    |    |    |    |
| 21    | X    | X        | X    |          |     | X   | X   | X   |              |    |    |    |    |
| 28    | X    |          |      |          |     | X   | X   | X   |              |    |    |    |    |
| NOV 4 | X    | X        | X    | X        |     | X   | X   |     |              |    |    |    |    |
| 11    | X    | X        | X    |          |     | X   | X   |     |              |    |    |    |    |
| 18    |      |          |      |          |     | X   | X   |     |              |    |    |    |    |
| 25    | X    | X        |      |          |     | X   | X   | X   |              |    |    |    |    |
| DEC 2 | X    |          | X    |          |     | X   | X   |     |              |    |    |    |    |
| 9     | X    | X        |      |          |     | X   | X   |     |              |    |    |    |    |
| 16    |      |          |      |          |     | X   | X   |     |              |    |    |    |    |
| 23    |      |          |      |          |     | X   | X   |     |              |    |    |    |    |
| 30    |      |          |      |          |     | X   | X   |     |              |    |    |    |    |
| TOTAL | 43   | 36       | 24   | 7        | 2   | 52  | 52  | 24  | 10           | 21 | 3  | 2  | 3  |

\* Direct Mail dates reflect beginning of "drop" period. Compiled by Westfield Marketing Inc.

#### KEY TO HEADINGS

#### FSI

Quad  
Valassis  
Product Movers

#### IN-STORE

Act Now  
Shoppers Pay Day

#### ROP

Valassis B&W  
Sunflower

#### MAG

TV Guide

#### DIRECT MAIL

CW. Carol Wright  
MB. Mailbox Values  
LT. Larry Tucker  
CD. Cable Direct  
SN. Select N' Save +

# ECONOMIC EYE

## VIEWING PLEASURE

According to Nielsen Media Research, households had their tv sets on an average of seven hours, two minutes a day during the 1988-89 broadcast year. Ten years ago, sets were on almost six-and-one-half hours a day. And, 30 years ago, early couch potatoes watched five hours each day.

## MAGAZINE AD SCORECARD

|                                                       | Ad Pages<br>Sept. 1989 | % change<br>from Sept. 1988 | Dollars spent<br>(000) | % change<br>from Sept. 1988 |
|-------------------------------------------------------|------------------------|-----------------------------|------------------------|-----------------------------|
| 1. Skin care, Creams, Lotions and Oils                | 247.60                 | 71.2                        | 5,521.5                | 77.2                        |
| 2. Lip and Eye Beauty Products                        | 136.78                 | -27.4                       | 6,439.7                | 11.0                        |
| 3. Scents and Fragrances                              | 226.98                 | -1.7                        | 6,955.2                | 16.2                        |
| 4. Facial Makeup Products                             | 91.16                  | -40.6                       | 3,925.6                | -40.8                       |
| 5. Prepared Dinners and Entrees<br>(including pizzas) | 36.78                  | 30.5                        | 2,116.9                | +19.2                       |
| 6. Liquor                                             | 370.93                 | 3.1                         | 15,998.4               | -3.1                        |
| 7. Cigarettes                                         | 549.93                 | -17.1                       | 32,595.0               | -9.0                        |
| 8. Soaps and Detergents                               | 46.86                  | 53.4                        | 3,432.4                | 72.4                        |
| 9. Passenger Cars, Domestic                           | 173.04                 | -12.4                       | 10,307.0               | -14.0                       |
| 10. Passenger Cars, Imported                          | 558.66                 | 30.6                        | 27,567.3               | 35.1                        |

Source: Publishers Information Bureau as prepared by Leading National Advertisers.

## MEDIA COST INDEX

(The Media Cost Index is based on unit costs, which are the end-product of circulation/audience and CPM adjustments. They do not represent the efficiency of a given medium, only the out-of-pocket costs.)

|                        | 1985 = 100 ← 1988 → 1989 → |          |      |          |      |          |       |          |      |          |     |          |      |          |      |          |
|------------------------|----------------------------|----------|------|----------|------|----------|-------|----------|------|----------|-----|----------|------|----------|------|----------|
|                        | Dec.                       | % change | Jan. | % change | Feb. | % change | March | % change | Apr. | % change | May | % change | June | % change | July | % change |
| Network TV             |                            |          |      |          |      |          |       |          |      |          |     |          |      |          |      |          |
| Daytime                | 73                         | -10      | 77   | -17      | 68   | -15      | 68    | -15      | 72   | -7       | 67  | -12      | 63   | -14      | 71   | -11      |
| Nighttime              | 109                        | -2       | 122  | +8       | 120  | -19      | 125   | +11      | 112  | +13      | 127 | +16      | 112  | -8       | 125  | +14      |
| Spot TV                |                            |          |      |          |      |          |       |          |      |          |     |          |      |          |      |          |
| Prime time             | 129                        | +5       | 141  | +10      | 127  | -2       | 125   | -4       | 131  | +5       | 126 | +0.3     | 131  | +5       | —    | —        |
| Daytime                | 99                         | -6       | 116  | -5       | 120  | +11      | 97    | -1       | 100  | +5       | 101 | -1       | 93   | -0.2     | —    | —        |
| Network radio          | 119                        | +12      | 158  | +8       | 142  | +10      | 139   | +15      | 128  | +10      | 131 | +13      | 126  | +8       | 121  | +19      |
| Spot radio             | 110                        | -3       | —    | —        | —    | —        | 118   | +12      | —    | —        | —   | —        | 118  | +17      | —    | —        |
| Consumer magazines     | 119                        | +6       | 122  | +6       | 122  | +6       | 122   | +6       | 122  | +6       | 122 | +6       | 123  | +7       | 123  | +7       |
| Natl. Sunday magazines | 130                        | +10      | 129  | +10      | 129  | +10      | 129   | +10      | 129  | +10      | 130 | +12      | 130  | +12      | 130  | +12      |
| Business publications  | 120                        | +7       | 119  | +2       | 119  | +2       | 119   | +2       | 119  | +2       | 123 | +6       | 123  | +6       | 123  | +6       |
| Newspapers             | 124                        | +7       | 131  | +5       | 131  | +6       | 131   | +6       | 132  | +6       | 131 | +6       | —    | —        | —    | —        |
| Outdoor                | 137                        | +11      | 137  | +11      | 137  | +11      | 132   | +8       | 132  | +8       | 132 | +8       | 132  | +8       | 132  | +8       |

Notes: Percentage shown is relative change from the same month/period the year before.

\*Revised

### Sources:

**Nighttime Network TV**- Cost per average 30-second spot, 7:30-11 p.m. Monday-Saturday and 7-11 p.m. Sunday from Broadcast Advertisers Reports' (BAR) Network TV Service.

**Daytime Network TV**- Cost per average 30-second spot, 10 a.m.-4:30 p.m. Monday-Friday from BAR's Network TV Service.

**Network Radio**- Cost per average 30-second radio announcement from BAR's Network Radio Service.

**Consumer Magazines** estimate based on reported SRDS cost of a page, four-color in 40 national consumer magazines, as reported by Magazine Publishers Assn.

**National Sunday Mags** estimate based on published (rate cards) costs of a page, four-color in the national entries.

**Daily Newspapers** estimate based on Newspaper Advertising Bureau report of SRDS costs per column inch of a sample of 784 newspapers weighted to represent the universe.

**Outdoor Posters** based on estimate prepared by Institute of Outdoor Advertising.

**Spot Radio** index represents cost of a 60-second spot in the top 100 markets from data supplied to Radio Expenditure Reports by major radio representatives.

**Business Publications** estimates based on reported SRDS cost of a page, four-color in 48 publications representing 42 business and professional classifications.